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Weldon Machine Tool Company

Made2Manage Helps Weldon Machine Tool Company Leverage Flexibility for Ongoing Success

One can make a case that the history of the Weldon Machine Tool Company (Weldon) is testimony to the power of flexibility in manufacturing.

Weldon’s roots go deep in the history of Pennsylvania industry—back to the 1890s, when Frederick Flinchbaugh founded Flinchbaugh Manufacturing in the city of York. The company quickly became a prominent provider of gasoline tractors and traction engines, serving the state’s largely agricultural-based economy. But as that economy changed, and as the company’s ownership passed on through the heirs of the founder, Flinchbaugh Manufacturing evolved into Weldon Hydraulics, which became known for innovation and quality manufacturing in the field of hydraulic cylinders and other special machinery.

In the mid-1970s, Weldon entered into the CNC grinder business by designing, building and marketing a CNC grinder of their own. In 1981, the company ceased manufacturing hydraulic cylinders and, instead, grinders became the principal part of its business. In 1983, the company changed to its current name, focusing exclusively on CNC grinders and phasing out the manufacture of special engineered machinery.

As the company entered the 1990s, it was acquired by a group of companies headed by Tsugami Corporation, a major Japanese machine tool builder. This provided Weldon with a significant input of capital and R&D funding. In 1999, the assets of the company were acquired by a group of employees and the new corporation was formed as an employee stock ownership plan. The company continues to manufacture in York, Pa., and remains one of the nation’s leading providers of high-quality CNC grinders and grinding technologies.

“We’ve come a long way from gasoline tractors and traction engines to precision grinding machines, and that evolution is symbolic of how manufacturers have to respond to markets,” says George C. Sipe, Jr., president of Weldon. “In today’s markets, competition is incredibly intense, and to succeed a manufacturer has to be able to manage its own processes with precision, as well as respond to its customers with speed and accuracy. Made2Manage helps us do this at Weldon.”



Software to Run the Business

According to Sipe, Weldon's business is project oriented: each order for a machine is a custom project, but components are often standard and used from project to project. "Made2Manage can accommodate both types of businesses we run, and that's key," says Sipe. "We use the system the way we run the business; we don't have to fit our business to a software package."

The Made2Manage[®] Enterprise Business System is a comprehensive, fully integrated software application that manages a manufacturer's entire business environment. As part of that system, Made2Manage Enterprise Resource Planning (M2M[™] ERP) is a simple-to-use flexible application that integrates data from across the entire organization to improve communication, enhance visibility and execute all operations.

"Ours is a highly engineered, make-to-order product, and so we needed a software package that could provide us with up-to-the-minute costing," says Travis Gentzler, controller and network administrator at Weldon. "We need to know where we're at with each project, what has been issued, what has yet to be issued, where we are with labor. Made2Manage provides that information and does so with easy data entry and data access."

Weldon is celebrating its tenth year as a Made2Manage user, having implemented the system in 1992 during what Gentzler calls "the DOS days." "Over that time, the system has become more robust and easier to work with," he continues, "The search functionality and standardized reports are great, and it is easily customizable to help us take full advantage of the information in the system as we need it, when we need it."

Some of the benefits of Made2Manage Gentzler cites as especially important to Weldon operations include:

- *Accurate costing.* With accurate costing, Weldon can pinpoint fluctuations in procurement and roll that into their estimating so that the quotes customers receive are highly accurate. "We need this in order to be as competitive as possible," says Gentzler. "We need to make a certain margin and one way of doing that is by having a detailed understanding of costing. That's one of the key things Made2Manage provides."
- *The ability to use standard costing methodology.* Weldon's machines are very complex, so to keep track of actual costing is complicated. "Standard costing is best for us from a planning perspective, and Made2Manage makes it easy for us to apply this technique," says Gentzler. Standard costing bases component costs on a history of procurement, from which a 'standard' cost is derived for development purposes.

Before Made2Manage, procurement analysis was a more costly and time-consuming process because data was re-indexed on a frequent basis to maintain the best possible control of costs. "Now you just have to look into Made2Manage to verify costs in an instant," says Sipe. "The reliability of the system results in significant labor savings for us."

According to Gentzler, this reliability is put to the test on a daily basis. "We're constantly shipping and entering purchase orders—there are a lot of transactions with complex bills of material (BOMs) to build our machines because the machines are customized per customer," he says. "So the Made2Manage system is hit hard, but it handles everything. Definitely what they've put into the product has saved us man hours and money. It's pretty bulletproof."

Weldon has found the BOM functionality within Made2Manage particularly impressive. “We are in a manufacturing segment where the customer comes with a spec and we build the machine around that spec,” says Sipe. “Made2Manage helps us by providing a functional BOM system, in terms of how easy it is to build and manage the BOM, and also how easy it is to access that information.”

Typically a Weldon project will start out with a standard BOM that is, say, 60 percent complete. Made2Manage provides them with the ability to add to that BOM—and track it quickly and accurately. Weldon’s standard parts listing is resident in the Made2Manage system, and, according to Gentzler, it is easy to pick and choose from that list as the BOM is built.

Keeping the Customer Satisfied

Weldon machines are built for heavy usage—the typical Weldon customer runs three shifts, 24 hours a day, seven days a week.

“If the customer has a part go down, they need that part right away,” says Gentzler. “The Made2Manage system improves our ability to identify that part quickly, get it, and have it shipped to them as soon as possible. The bottom line is that we are more responsive and our customers are more satisfied with the response that we provide.”



Sipe adds that this also serves Weldon on the bottom line, a difference seen clearly when comparing machines built before and after the implementation of Made2Manage. With machines older than ten years (i.e., before Made2Manage), Weldon can go back to the engineering department, but they can’t always quickly determine who they bought a part from, what the purchase order (PO) number was, and so on—information that is useful when going back to the original vendor.

“The vendor always asks for a PO number to help him go back through his system,” says Sipe. “That’s not available in the engineering drawing, but it is easily available through Made2Manage. There’s a tremendous difference in how we respond based on this—what used to take many hours can take a matter of minutes.” This is critical because Weldon’s parts and service departments are among its biggest selling points. “They’re huge in getting us return business, and Made2Manage has enhanced this strength of ours,” says Gentzler.

Leveraging Made2Manage’s Investment in Technology

Gentzler says that an added value Made2Manage brings to its customers is the investment Made2Manage Systems makes in the technology supporting their products and services. “Through Made2Manage’s investment in technology, they help us stay ahead of the technology curve,” he says. “What they spend on initiatives like Microsoft .NET accrues directly to those using Made2Manage’s products—and saves those users a great deal of investment dollars that they would otherwise have to spend on their own.”

Lastly, Gentzler cites Made2Manage’s investment in the Web as a resource for training and support as a huge differentiator for the company and its products. “I think that from a technological perspective, Made2Manage’s Websites are exceptional,” he says. “Clearly they spend a great deal of time and thought as to how their users are using their Web site.”

Gentzler himself says he uses the Made2Manage site for ongoing support and as a result spends less time and money in direct personal contact with the company's service department. Weldon has also made extensive use of Made2Manage "webinars" (Web-based seminar) for training—saving time and money by not having to send personnel on the road.

"The Web training is practical, and to my mind, even more user-friendly than on-site seminars because more questions are asked by those who might not ask them if they weren't behind the veil of anonymity provided by the Web," he concludes. "This is a really neat process that Made2Manage has embraced, and that Made2Manage customers like us are benefiting from in terms of money saved and lessons learned."

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